



Government of Nepal
Provincial and Local Governance Strengthening Programme
(PLGSP)

Bagmati Province Capacity Needs Assessment, Partnership Mapping Findings Best Practice Options and Potential TA Deployments

Provincial Consultation Note

June 2025

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ABOUT THIS NOTE

This document provides a summary of results emerging from fieldwork, institutional analysis, and key informant interviews conducted across Bagmati Province to assess core capacity gaps and partnership options in governance, public financial management, and service delivery under Nepal’s federal framework. It identifies *primary capacity gaps as a long list for provincial prioritization*, while also mapping existing partnerships, identifying areas of strategic misalignment and opportunity, and distilling best practices that can be scaled to improve provincial-local coordination.

The report is merely provided as an input to shortlisting priority actions by provincial authorities, and it does not provide a detailed institutional ecosystem analysis, as institutional issues (capacities, partnerships etc.) will only be covered in the final partnership mapping and capacity assessment report.

Based on the findings, the analysis proposes two technical assistance (TA) positions—focused on revenue mobilization and IPF implementation support—to be taken forward under the Provincial and Local Governance Strengthening Programme (PLGSP).

1. PROVINCIAL GOVERNANCE PROFILE

Bagmati Province, located in the central part of Nepal, functions within the federal democratic republican framework outlined in the Constitution of Nepal 2015. The provincial government operates through three main branches: executive, legislative, and judicial.

- **Executive Branch: Provincial Executive Branch:** The Governor acts as the ceremonial head of Bagmati Province, while executive authority rests with the Chief Minister, who leads the Provincial Cabinet. This Cabinet comprises ministers responsible for key portfolios such as Physical Infrastructure Development, Economic Affairs, and Social Development. **Local Executive Branch:** At the local level, each municipality or rural municipality is led by a Mayor or Chairperson, supported by a Deputy Mayor or Vice-Chair. These local executives are responsible for delivering essential public services, implementing local development plans, and coordinating with the provincial government to ensure vertical coherence in governance and service delivery.
- **Administrative Structure:** Bagmati Province comprises thirteen districts: Bhaktapur, Chitwan, Dhading, Dolakha, Kathmandu, Kavrepalanchok, Lalitpur, Makwanpur, Nuwakot, Ramechhap, Rasuwa, Sindhuli, and Sindhupalchok. These districts are subdivided into 46 municipalities and 74 rural municipalities. As per the Local Government Operations Act, 2017, each local government unit operates with autonomy, formulating their own laws, policies, plans, budgets and programs under the self-rule, managing public services delivery, infrastructure projects, and development programs tailored to local needs and priorities.
- **Legislative Branch:** The Bagmati Provincial Assembly is a unicameral legislative body composed of 110 members—66 elected through the first-past-the-post system and 44 through proportional representation. The assembly holds a five-year term unless dissolved earlier. Write a sentence about local council and legislature.

Further, there is a provision of a District Development Committee (DCC) within each district and categorized as a local level as per the Constitution of Nepal (Article 56, Clause 4), but their jurisdiction is confined to coordinating among municipalities, and monitoring of development, service delivery and infrastructure related activities (Article 220).
- **Judicial Branch:** The Hetauda High Court functions as the highest judicial body in the province, tasked with overseeing the administration of justice and ensuring adherence to the rule of law. Each local government unit operates with administrative autonomy to deliver services, execute development programs, and govern based on local needs. Although the province comprises fourteen districts, it is important to note that districts are not administrative units of the provincial government. The Chief District Officers (CDOs), as per existing legislation, report to the federal government.
- **Fiscal Structure:** Under Nepal’s federal constitutional framework—primarily Article 57, Article 60, and the Intergovernmental Fiscal Arrangement Act (2017)—the division of fiscal authority is clearly delineated across Schedules 5, 6, 8, and 9 of the Constitution. Karnali Province has the power to levy its own taxes, including agricultural income tax, vehicle tax, entertainment tax, and service charges, as outlined in Schedule 6. While property tax falls under local government jurisdiction (Schedule 8), the province receives fiscal transfers from the federal government, including equalization, conditional, and special grants, as well as a share of national revenue based on a formula recommended by the National Natural Resources and Fiscal Commission (Article 60). These resources support the province’s administrative functions, infrastructure, and development programs. Table 1 provides the structure of sub-national fiscal assignments.

Table 1. PROVINCIAL, LOCAL GOVERNMENT AND SHARED FISCAL ASSIGNMENTS	
Provincial Fiscal Assignments	
<i>Tax Type</i>	<i>Details / Notes</i>
<i>Vehicle Tax</i>	Includes registration, ownership transfer, and annual renewal of vehicles.
<i>Entertainment Tax</i>	Applied to cinema halls, events, shows, and other commercial entertainment.
<i>Advertisement Tax</i>	On advertisements displayed in public spaces, billboards, etc.
<i>Agricultural Income Tax</i>	Provinces may impose this on larger-scale farming activities (non-subsistence).
<i>Tourism Fee / Tax</i>	Includes trekking permits, entry fees, and related provincial tourism charges.
<i>Service Charges / Royalties</i>	For the use of provincial services, licenses, and natural resources (e.g., forests).
<i>Provincial Property Tax (if any)</i>	Rarely imposed; often overlaps with local government mandates.
Local Government Fiscal Assignments	
<i>House and Land Tax (Property Tax)</i>	Imposed annually based on land and building valuations.
<i>Business Tax / License Fee</i>	For operating commercial entities within local jurisdictions.
<i>Rental Tax</i>	On rental income from properties (usually residential or commercial leases).
<i>Advertisement Tax</i>	For ads displayed in local public areas (can overlap with provinces).
<i>Vehicle Entry Tax</i>	On commercial vehicles entering local territory, often for goods transport.
<i>Market Tax / Haat Bazaar Tax</i>	Fees on vendors or marketplaces within local boundaries.
<i>Entertainment Tax</i>	Events, local fairs, movie halls (may overlap with provincial taxes).
<i>Service Fee / Local Royalties</i>	For use of community services (e.g., water, waste management).
<i>Heritage / Culture Fee</i>	For visiting temples, monuments, etc. under municipal control.
<i>Tourism Fees (local level)</i>	Entry or facility use charges (e.g., for local trekking routes or home stays).
Shared Taxes Across Tiers of Government	
<i>Value Added Tax (VAT)</i>	Collected by federal government, shared with provinces/local.
<i>Excise Duty (on local goods/services)</i>	Shared between federal and subnational levels.
<i>Natural Resource Royalties</i>	Revenue from hydropower, forests, mines shared as per formula.

Source: Constitution of Nepal (2015) and Devkota, K., L., (2020)

This multi-level governance system enables Bagmati Province to respond effectively to regional priorities while aligning with national strategies and constitutional provisions.

2. NOTE PURPOSE

This Note serves to consolidate key findings from the capacity gap assessment, partnership mapping, and field-based identification of scalable best practices across Bagmati Province under the Provincial and Local Governance Strengthening Programme (PLGSP). Its purpose is threefold:

- **Diagnose Provincial Capacity Gaps:** The Note provides an evidence-based overview of institutional, organizational, and systemic deficits across planning, fiscal management, digital governance, and service delivery functions. Drawing on structured interviews, administrative

reviews, and provincial and local government diagnostics, it outlines 45 capacity gaps requiring prioritization by the province.

- **Map Strategic Partnerships:** It identifies current and emerging partnerships with development actors—including INGOs, bilateral programs, and UN agencies—and evaluates their alignment with PLGSP objectives. The mapping highlights potential synergies through resource pooling, innovation channels, and duplication risks, offering a roadmap for integrated development cooperation.
- **Inform Future Technical Assistance Deployment:** Based on the assessment, the Note proposes targeted technical assistance (TA) placements and models for scaling best practices. It emphasizes high-impact, cross-cutting roles—particularly in public financial management, digital governance, and inter-governmental coordination—that can unlock reform momentum and strengthen federalism in practice.

By aligning institutional analysis with practical entry points, the Note will inform future PLGSP support, donor coordination, and provincial strategic planning processes—helping ensure governance in Bagmati Province is inclusive, accountable, and resilient.

3. CLARIFYING INSTITUTIONAL GAPS

While the primary aim of this Note is to consolidate a comprehensive list of capacity needs across sectors and governance functions, based on field survey results, several overarching institutional themes emerged during provincial consultations.

- **Provincial Assembly's Legislative Role:** The Provincial Assembly's potential remains underutilized, particularly concerning the volume of legislation required to operationalize provincial mandates. Capacity gaps in legislative drafting, public consultation, and alignment with federal frameworks are evident. Establishing a legislative support unit within the Assembly Secretariat, strengthening provincial sectoral committees and strengthening linkages with sectoral ministries could address these challenges. While the assessment did not cover the accounts committee, finance committee or other sectoral committees, similar observations likely apply.
- **Intergovernmental Relations (IGR):** While formal IGR structures exist, their functionality varies. Emphasis should be placed on enhancing existing forums—such as the Provincial Policy and Planning Commission and Chief Minister-chaired coordination council meetings—to improve coordination and mitigate conflict among provinces and local levels. Integrating digital tools like the Provincial Project Bank Management Information Systems (P-PPBIS) and Geographic Management Information System (GEOMIS) can further reduce fragmentation.
- **Inclusivity in Decision-Making:** Despite the mainstreaming of GESI principles in law, practical mechanisms to ensure the participation of women, children, youth, Dalits, Janajatis, and persons with disabilities as well senior citizens and Leave No One Behind people concept in planning and budgeting processes are limited. Institutionalizing participatory tools such as community scorecards could be considered as well as strengthening the Ward Level Planning and Monitoring Committee, which could be made more inclusive and gender responsive.
- **Law-Making Process:** The legislative process faces constraints due to procedural ambiguities and limited legal drafting capacity. Supporting procedural reforms and digitizing legislative workflows, drawing on models piloted by organizations like UNDP, can streamline law-making.

Cross-Cutting Importance of GESI and Social Inclusion

The integration of Gender Equality and Social Inclusion (GESI) serves as a foundational, reflecting PLGSP's commitment to structural transformation and inclusive governance. Strengthening GESI is both a strategic opportunity and a necessity. A more comprehensive and systematic analysis is picked

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up on the main assessment report to understand how institutional capacities—or the lack thereof—affect historically marginalized groups including women, Dalits, Indigenous Peoples, Madhesis, persons with disabilities etc. Embedding this lens is essential to expose entrenched power imbalances and to articulate the program’s ambition to disrupt the status quo.

These observations, while not expanding the current mandate, provide a light-touch diagnostic to guide future Phase II support under PLGSP and related programs. ***These issues will be developed in the full final consolidated national partnership mapping and capacity assessment report.*** They highlight priority areas for deeper inquiry and investment to enable provinces to fully realize their constitutional mandates and functions within Nepal's federal system, helping to rationalize and harmonize.

4. CAPACITY ASSESSMENT RESULTS

The Capacity Assessment is a central component of the Provincial and Local Governance Strengthening Programme (PLGSP) in Nepal. It evaluates the institutional, organizational, and individual capacities of provincial and local governments (PLGs) to assess their ability to operate effectively within the federal governance system. By identifying core strengths, limitations, and priority capacity gaps, the assessment provides a solid, data-driven foundation for designing targeted interventions that enhance governance performance and improve service delivery.

While the exercise examines five core functional areas across all seven provinces and selected local governments: governance structures, human resources, policy implementation, financial management, and service delivery mechanisms, this report only focused on Bagmati. It identifies challenges at the systemic, institutional, and individual levels, helping ensure that PLGSP's support aligns with the unique needs and priorities of each province and municipality. It also informs capacity-building strategies by guiding the deployment of technical assistance (TA), refining staffing plans, and shaping relevant training content.

By establishing a baseline for future institutional strengthening, the assessment enables provincial and local governments to improve coordination, reinforce accountability mechanisms, and deliver more inclusive, effective public services. It ensures that PLGSP interventions are evidence-based, responsive to local context, and built for long-term sustainability—supporting the broader goal of functional, accountable, and resilient provincial and local governance.

For Bagmati Province, the capacity assessment was completed through a combination of key informant interviews (KIIs) and focus group discussions (FGDs). Consultations were held with: i) key ministries, including the Office of the Chief Minister and Council of Ministers (OCMCM), ii) the Provincial Policy and Planning Commission (P-PPPC), iii) the Provincial Public Service Commission (P-PSC), iv) the Ministry of Physical Infrastructure, the Ministry of Economic Affairs and Planning, and the Ministry of Social Development, and v) the Provincial Center for Good Governance (PCGG). In addition, consultations were carried out with five representative local governments: Hetauda Sub-Metropolitan City (Makwanpur), Bharatpur Metropolitan City (Chitwan), Jwalamukhi Rural Municipality (Nuwakot), Bidur Municipality (Dhading), and Bagmati Rural Municipality (Lalitpur).

Summary of Capacity Deficit Findings

The capacity challenges facing Bagmati Province reflect complex, systemic issues across public administration, fiscal governance, and service delivery domains. They also reflect the need for mind set and overcoming behavioral challenges. While federalism has broadened institutional mandates, the practical ability to deliver results through intergovernmental coordination for coherence planning, credible budgeting, and responsive governance remains constrained. Fragmentation between federal, provincial, and local levels—compounded by underperforming vertical and horizontal coordination structures, weak fiscal tools, and institutional capacity deficits—continues to slow reform momentum. The province also faces growing disparities between urban and rural municipalities, with emerging risks from climate shocks, in-migration, and underutilized digital and fiscal systems as well as weak economic linkage between rural and urban centers. The following areas summarize priority capacity issues:

- **Functioning of Province Development Action Committee (PDAC) and Provincial Coordination Council (PCC):** The PDAC and PCC remain underutilized as platforms for provincial-local development coordination and harmonization. Their operationalization through regular meetings and clearly defined mandates could significantly improve coherence in development planning and implementation, particularly in resolving overlaps in resource mobilization across tiers of government.
- **Post-legislative policy scrutiny:** Many provincial laws are modelled on federal templates but are rarely reviewed after enactment. Constitutional requirements to review each law five-years

post implementation has not been undertaken. This absence of post-legislative review weakens accountability, limits adaptive policymaking, and undermines public trust. Establishing procedures for policy audits and review is essential.

- ***Planning fragmentation and weak inter-governmental relationship:*** Despite tools like medium-term development frameworks (such as periodic development plans), planning directives by National Planning Commission and Provincial and Policy Planning Commission, the Provincial Project Bank Management Information Systems (P-PBMIS) and GEOMIS, planning remains disjointed due to limited staff capacity, poor digital integration and interoperability, and inconsistent guidelines between tiers. Strengthening spatial planning, GovTech system, compliance reporting mechanisms, , and SDG localization processes will help align provincial and local planning systems.
- ***Underutilization of exclusive rights in agriculture and revenue generation:*** The province has revenue guidelines for tax and non-tax revenue collection, but implementation is weak in reality. The province has mandates in agriculture, and revenue policy such as vehicle and forest resource revenues but lacks technical studies and systems to exploit these opportunities. Introducing a digital resource estimation and sharing system and conducting revenue potential analyses could unlock new resources for development.
- ***Budgeting systems and equitable allocations:*** Current grant allocation formulas do not fully account for geographic remoteness, fiscal effort, or development disparities. A more equitable equalization formula and Key Performance Indicators (KPI)-based fiscal equalization grants—developed with National Natural Resource and Fiscal Commission (NNRFC)—would promote fairness and performance incentives. While this is beyond the capacity of PLGSP to resolve, however, the program could make some intervention through policy dialogues and knowledge café at LGs on fiscal federalism. One option would be to strengthen the role of the National Natural Resource and Fiscal Commission (NNRFC) by enforcing adherence to its recommended revenue-sharing formula by both federal and provincial governments. Utilize the NNRFC’s five-year revision mandate to revise the fiscal equalization formula, ensuring it better reflects expenditure needs and functional responsibilities. Advocate through the Provincial Government for the integration of Key Performance Indicator (KPI)-based criteria in fiscal equalization grants, incorporating robust indicators on gender equality and social inclusion to promote equitable resource allocation.
- ***Budget unrealism and weak fiscal forecasting:*** Budget projections are often ballooning and disconnected from revenue realities, limiting the effectiveness of planning. Binding MTEF targets, budget tagging for gender, climate and SDG, strengthening internal and external audit systems, and use of Revenue Management Information Systems (RIMS), Computerized Government Accounting System (CGAS), Public Assets Management System (PAMS), and Electronic Government Procurement (e-GP) platforms is critical to improve budget credibility and PFM outcomes with time being updating and application of disruptive technologies such as, AI tools, big data analytics and such others in these system.
- ***Sectoral and infrastructure planning, and governance capacity:*** Infrastructure development continues to face significant challenges due to limited coordination across government tiers, weak project prioritization, and insufficient integration of climate resilience and disaster risk assessments. Additionally, chronic underfunding for maintenance undermines long-term infrastructure sustainability, leading to duplication and inefficiencies across projects. Data gaps and lack of joint planning mechanisms between provincial and local actors reduce efficiency and increase operational cost. Integrated, GIS-based infrastructure dashboards and shared planning tools are needed.
- ***Robust internal control systems and financial discipline:*** The province faces persistent audit queries, arrears settlement delays, and lack of internal performance-linked financing systems.

Introducing results-based financing models and reinforcing internal control mechanisms would reduce fiduciary risks and enhance fiscal accountability. Strengthening internal audit enforcement to maintaining fiscal discipline and reduce audit arrears is critical.

- **Capacity of elected representatives, government staffs and institutions to implement federalism:** Many elected leaders and staffs working in sector ministries have limited capacity to perform their roles and responsibilities under federalism. Human resource capacity development is required to strengthening institutional development processes that support design development of plan and policy, execution, oversight, and accountability.
- **Local Economic Development (LED) and employment generation:** LED initiatives are fragmented to many ministries and donor programs and often lack scale or sustainability. To transition from subsistence to resilience, Bagmati needs LED frameworks linked to sector strategies, micro, small and medium enterprise development, fiscal instruments, Bank and Financial Institutions (BFIs) and private sector engagement, especially in resource-based and tourism-driven local economies.
- **Justice, social protection, and inclusion mechanisms:** Local justice systems are poorly understood and unevenly implemented. Strengthening legal aid, community mediations through trained facilitators, FM radio outreach, and digital justice platforms, while mandating budget allocations, in cash or in-kind support for poorest and vulnerable groups, will improve accessibility, and equity in social justice as well as extending adequate social protection system that benefitting all.

Digital systems and knowledge platforms: Many digital investments under PLGSP (e.g., LISA, FRA, GIOMS) remain underused due to poor embodying of GovTech principles, such as accessibility, user-centricity and interoperability, weak data management, and unclear mandates. A province-wide digital governance strategy—linked to the Prime Minister’s Digital Blueprint—is needed to operationalize platforms, link local legislation repositories, and anchor a central digital action center within the OCMCM. Further, technical support could be extended to modernization public administration and operations management (for reliability, reach, relevancy and resilience) through process flow, and simplification of major user-centric e-services (e.g. vehicle blue book renewal, license renewal) along with assessment of enabling conditions for e-services for poor and vulnerable, mobile-based citizen feedback on governance and citizen satisfaction on quality service delivery, such others.

- **Institutional needs for innovation:** Innovation remains an untapped cross-cutting enabler. Currently, there are no institutional homes or funding mechanisms for innovation-led service reform. Establishing provincial innovation labs or challenge funds could mainstream adaptive, citizen-responsive governance innovations. The Innovative Partnership Fund could also be improved to address these observations.
- **Geographic disparities and urban-rural divides:** Bagmati’s diverse topography—from the Himalayas to the Terai—results in stark service delivery challenges. HDI scores range from 0.683 in Kathmandu to below 0.415 in rural municipalities like Ruby Valley (Dhading) and Panchpokhari Thanpal (Sindhupalchowk). These disparities require differentiated service delivery models and targeted resource allocation.
- **Urbanization and environmental stress:** Cities like Kathmandu, Bharatpur, Hetauda, and Lalitpur face mounting pressure from in-migration, resulting in overcrowding, traffic congestion, informal settlements, waste mismanagement, and urban poverty. Meanwhile, remote municipalities struggle with basic connectivity, limited fiscal space, and rising vulnerability to landslides and floods.

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The province’s Second Five-Year Plan (2081/82–2084/85) articulates a transformative agenda, with goals spanning agriculture, infrastructure, employment, health, education, governance, and disaster resilience. However, success will hinge on addressing these capacity gaps systematically. A province-wide strategy—grounded in institutional strengthening, inclusive planning, digital systems, and intergovernmental collaboration—will be essential to deliver on Bagmati’s development long-term vision as dictated in the plan “Transformation of Bagmati Province: Economic Prosperity and an Equitable Society.”

Table 1 provides a list of 45 actions to be considered by provincial authorities in their prioritization process, ideally down to the priority 10-15 actions to be targeted by the PLGSP program over the course of the next 4-5 years.

Table 2. LONG LIST OF BAGMATI CD NEEDS & RECOMMENDATIONS FOR PRIORITIZATION		
Capacity Needs		Recommendations
A. Issues Common Across All Provinces		
1.1.	Intergovernmental coordination across the three tiers of government is limited, with the provincial government facing significant capacity constraints, and the unbundling exercise needs to be embedded in each sector service delivery model.	To address limited intergovernmental coordination and provincial under-capacitation, sector-specific Shared Service Agreements (SSAs) could be established based on agreements reached between federal, provincial, and local representatives. Conveyed by the Federal entity, the SSA would allow for orderly unbundling of functions. These SSAs will assign responsibilities based on actual capacity, embed coordination within sectoral frameworks and budgets, and align with ongoing unbundling efforts. A national Shared Services Support Cell (SSSC) could backstop implementation.
1.2	Coordination challenges limit strategic coherence , Vertical coherence between federal, provincial, and local levels remains weak. Planning and budgeting processes are not harmonized, digital systems are non-integrated, and data flows are inconsistent or dysfunctional. Provincial capacities to operationalize exclusive mandates are constrained by the lack of sector-embedded coordination mechanisms and interoperable tools. This undermines service delivery, delays reforms, and leads to duplication of efforts.	Institutionalize sector-specific Intergovernmental Coordination Units (ICUs) with clear mandates to align federal, provincial, and local planning, through policy and planning commissions. These units could be supported by a province-wide interoperable digital platform enabling shared data access, synchronized project management, and real-time fiscal tracking. Formalized Shared Service Agreements (SSAs) and a provincial-level Shared Services Support Cell (SSSC) could be deployed to standardize tools, offer technical backstopping, and coordinate with digital governance partners to ensure sustainable, cross-tier collaboration.
1.3	Decreasing Equalization Grant and increasing conditional grant. The rising share of conditional grants over equalization grants risks limiting provincial autonomy and flexibility in virement and fungibility of fund. Provincial governments lack localized tools and procedures to comply with updated CS grant allocation guidelines.	To increase fiscal autonomy and improve grant management, Provinces should initiate dialogue for an improved Fiscal Equalization Grant allocation formula using LG-specific expenditure needs and revenue generation capacity, in coordination with NNRFC. Simultaneously, the province should develop and institutionalize KPI-based Conditional Grant systems aligned with national frameworks, incorporating performance metrics and specific GESI indicators such as women’s participation in planning and budgeting processes, inclusion of marginalized groups in service delivery outcomes, and gender-disaggregated beneficiary impact assessments. Tailored CG guidelines must be designed for provincial use, backed by inclusive consultation and TA support. To improve transparency and compliance, an online CG grant call monitoring and reporting platform should be developed in coordination with DoIT.
1.4	Limited capacity and fragmented use of public financial management (PFM) software have hindered the effective implementation of systems such as PAMS, RIMS, and e-GP across provincial institutions.	Provide comprehensive, cross-provincial capacity building tailored to key technical and administrative personnel, including: networking and GIS training for IT officers; e-GP and multisector infrastructure training for engineers and procurement personnel; and in-depth sessions for policy, planning, finance, and administrative staff on policymaking, PFM reforms, procurement management, internal control/audit systems, Subnational Treasury Regulatory Application (SuTRA), Vital Event Registration System (VERS), PAMS, and audit backlog clearance.

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		<p>Given that RIMS is now integrated within SuTRA, and due to frequent staff turnover, provinces must ensure mandatory, periodic SuTRA training that includes modules on troubleshooting and systems integration. This effort should be coordinated by the Financial Comptroller General Office (FCGO), which previously maintained a dedicated IT/SuTRA support team—partially supported under PLGSP.</p> <p>Capacity-building efforts should be aligned with the mandates of the District Treasury Controller Offices (DTCOs), FCGO, Public Procurement Monitoring Office (PPMO), and Office of the Auditor General (OAG) to ensure smooth technical operations and enhanced accountability and transparency in subnational fiscal and public administration management.</p>
1.5	Duplication of infrastructure plans across government levels needs rationalizing and harmonizing.	<p>Establish a centralized, GIS-enabled digital infrastructure planning and coordination platform accessible to all Local and Provincial Governments, embedded within the national planning architecture. The platform must include LG-level spatial and investment mapping, allow tagging of planned, ongoing, and completed projects across sectors, and flag overlaps in geographies, funding sources, or sectoral focus. The system should integrate existing tools such as PAMS and e-GP and be synchronized with the federal planning cycle.</p> <p>Provincial governments, in coordination with the National Planning Commission (NPC) and MoFAGA, should be mandated to facilitate onboarding and training of LGs. Regular updates, feedback loops, and interoperability protocols must be institutionalized to ensure data accuracy, reduce duplication, and enable evidence-based infrastructure investment decisions.</p>
1.6	Provincial governments lack structured, tech-enabled coordination units , reducing efficiency and alignment with federal systems.	Support the rollout of provincial-level action centers based on the Prime Minister’s Office model, with full technical implementation support.
1.7	Multiple, incompatible software platforms exist across PG and LG levels, limiting data integration and the potential for interoperability.	Federal government’s role is critical in both vertical and horizontal integration of IT systems. MoICT/DoICT are critical in creating a fully interoperable system and limiting the proliferation of duplicate and parallel systems. Develop a Provincial Level Data Bank with a unified digital platform to harmonize provincial and local level systems.
1.8	System outages and website stagnation occurred after TA support ended with PLGSP’s closure	Revitalize and maintain Line Ministries’ websites with technical TA support. Coordinate with respective Ministries. And DOIT/ MoICT
1.9	Low digital literacy among users reduces the uptake of e-governance tools and systems as well as immature skills of digital transformation in the public sector.	Promote digital literacy with best-practice learning methods tailored to demand-side users. Also, support can be targeted public sector innovations on preparing provincial digital framework and distilling early harvest programs and activities from key areas of GovTech initiative: i) supporting core government systems, ii) enhancing service delivery, iii) mainstreaming citizen engagement, and iv) fostering GovTech enablers.
1.10	Provincial governments lack localized tools and procedures to comply with updated CS grant allocation guidelines .	Design and implement operational CS grant guidelines tailored to the provincial context. Upgrade the existing Federal MoF Financial Management Information System

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		(FMIS) to track CS grant flows from provinces to LGs, enabling expenditure tracking, physical progress reporting, and integration with LG-level systems. Coordinate closely with MoF and DoIT for system adaptation and rollout.
1.11	Provincial staff have limited understanding of how to use the <i>NPC's online project bank system</i> effectively, including Project Bank Guidelines and Localization.	Support effective uptake and integration of existing NPB and NPBMS systems by building LG capacity, simplifying user interfaces, and piloting applied use cases to improve project planning and ownership. Provide structured training for staffs responsible for planning, and project development on the project bank platform and CS grant operations, coordinated with NPC and P-PPC.
1.12	Use of the NPC/MoFAGA planning process remains limited.	Strengthen the application of existing NPC/MoFAGA planning directive 2022 for PLGs by developing a practical project identification tool and targeted support to improve their use during provincial and local planning, drawing on lessons from Karnali.
1.13	Weak policy coherence between federal, provincial, and local government levels	Update Periodic Plans and MTEF to align with the 16th Five Year Plan; deliver online capacity building on MTEF formulation. Identify pathways to achieving policy coherence to align plans, budgets, and sectoral priorities, supported by coordination mechanisms and integrated planning tools.
1.14	<i>Poor data integration</i> and siloed IT systems hinder coordination across federal, provincial, and local levels.	Support integrated data centers (IDMC/GIDC) to centralize and streamline multi-level coordination.
1.15	Lack of user training and technical understanding delays effective use of the GIOMS system in Ministries.	Conduct targeted capacity building on GIOMS and Integrated Document Management System (IDMS) for ministry staff.
B. Non-Functional Systems Initiated at the Federal Level		
1.1.6	System Strengthening for Policy or Regulatory Cycle Improvement	Conduct Pre and Post-Legislative Scrutiny/ Policy Audits (ex-ante and ex-post) for many of the regulatory frameworks and guidelines developed at the federal and provincial levels. Such interventions are very insightful for policy improvement, for example take a case of Gender-Responsive Public Financial Management or Gender-Responsive Budgeting. As federal and province Red Books show significant amounts of budget have been allocated to Direct and Indirect Gender-Responsiveness of Budget in the past fiscal years, but impact assessments are never conducted even at federal level. Develop Province Statistics Act
1.17	The absence of legal and structural data security protocols affects safe data handling and inter-system coherence.	Support the Provincial Government to <i>formulate a Provincial Data Protection and Coherence Act</i>
1.18	Key public sector data is outsourced to private firms, with weak oversight and major data migration challenges.	Support GIOMIS rollout through coordination with MoCIT, aligned with the 2022 Electronic System Directive.
1.19	The current Equalization Grant formula lacks precision and fails to address provincial fiscal disparities effectively.	Provide TA to review and revise the Equalization Grant formula to enhance equity and fiscal balance, coordinating with NNRFC. Repeated with point 1.3, could be merged.
1.20	The rising share of conditional grants over equalization grants risks limiting provincial autonomy and flexibility.	Develop KPI-based conditional grant allocation systems, with TA support and inclusive consultation. Repeated with point 1.3, could be merged.

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1.21	The prior PLGSP-supported online monitoring tools are inactive due to a lack of follow-up support.	Develop real-time “ Action Monitoring ” tools, procure IT logistics, and ensure on-call vendor support.
1.22	LISA, FRA, and LED assessment results are underutilized in influencing performance-based rewards and grant allocations for Local Governments (LGs).	Institutionalize the linkage of LISA/FRA/LED assessment results with LG grant systems; provide targeted technical assistance to ensure credible, transparent, and performance-driven evaluation mechanisms. Linkage should be strengthened at federal level in coordination with NNRFC.
C. Provincial-Specific Issues (Bagmati)		
1.23	Limited replication of successful inter-municipal coordination models, particularly Public-Private Partnership (PPP) initiatives demonstrated in leading municipalities.	Document and replicate effective inter-municipal partnership models—such as the Bharatpur Municipality PPP initiative—through province-led platforms, fostering peer learning and scalable collaboration frameworks. To some extent IPF project can be developed by Palikas in PPP models.
Public Service Commission and PCGG		
1.24	The provincial Public Service Commission lacks modern tools and infrastructure for efficient, transparent, and merit-based recruitment processes.	Implement a comprehensive digital upgrade package with advanced recruitment software, automated scoring (OMR) for Merit-Based Recruitment (MBR) result tracking systems, and fully equipped computer labs. Upscale best practice from Nepal Telecom (NTC) providing computer lab establishment in a package
1.25	The absence of standardized Operational and Management (O&M) structures across local governments has resulted in fragmented institutional setups, unfilled critical positions, and uneven service delivery, weakening the overall effectiveness of decentralized governance.	Provide technical assistance to design, institutionalize, and implement a unified O&M framework across all local governments, ensuring alignment with federal guidelines. Support municipalities in completing their O&M structures and accelerating the recruitment process in coordination with P-PSC to fill vacant positions critical for effective service delivery and administrative functionality.
1.26	Weak coordination among the Provincial Policy and Planning Commission (P-PPC), PSC, and OCMCM hampers a cohesive approach to Human resource development at the provincial and local government level.	Establish a formal coordination platform among the Provincial Policy and Planning Commission (PPC), PSC, and OCMCM for coordinated efforts on O& M study and fulfillment of the vacant public service staff, positions in the Ministries and Local Government level, ensure quality of job entry, clear job description, and in-service training and develop standardized systems for ensuring sectoral training centers. Learn from existing training centers related to health, education and WASH.
1.27	Policy, human resource, and system gaps within the Provincial Center for Good Governance (PCGG) in Bagmati have limited its ability to function as a strategic training and capacity-building institution for local governance. The absence of a legal framework and incomplete organizational structuring further constrain its operational effectiveness.	Fast-track the enactment of the Bagmati Pradesh PCGG Act and finalize the O&M study to establish a clear institutional mandate and staffing structure. Replicate and adapt the Training Management Information System (TMIS) model from Gandaki Province Training Academy (GPTA) to enhance training delivery, tracking, impact assessment and institutional transformation. If not elsewhere, it is crucial to us to understand PCGG systemic issues and recommendations on: <ul style="list-style-type: none"> • Institutional governance and strategic planning, management and leadership • Fiscal, administrative and HR management, • Training and curricula standardization, and quality training delivery, • Knowledge Management (KM cycle focused) plans/systems, • Business plans with sustainable resource management and strengthening of self-autonomy.

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1.28	Need to address the geographic spread of Bagmati Province through satellite learning centers. Review the previous GIZ-implemented satellite training center concept.	Strengthening Satellite Learning Center, previously developed by GIZ (Hetauda Municipality having adequate infrastructure in place).
1.29	Lack of coordination and integration between PCGG and sectoral training institutions has resulted in fragmented in-service training delivery, duplications, and missed opportunities for cross-sectoral capacity building.	In partnership with PCGG, design and adapt existing governance and administrative training modules from other provinces, and deploy online, modular pre-service induction programs tailored to provincial contexts. Ensure clear role delineation and coordination with sectoral training institutes, which hold the mandate for technical skilling and re-skilling in areas such as healthcare delivery, clinical practices, teacher training, agriculture, WASH, and agrovets. This dual-track approach will align governance training with sector-specific capacity development.
1.30	The province lacks structured induction training programs for newly recruited civil servants, affecting their readiness and performance.	With PCGG design and adapt existing similar courses in other provinces and deploy online, modular pre-service induction programs in partnership with sectoral training institutes.
1.31	Job entry and in-service training are irregular, outdated, and poorly aligned with evolving roles and sectoral needs.	Develop a provincial Capacity Development strategy and Strategic Plan of PCGG with the support of Transformative TA to establish a continuous professional development system, featuring needs-based, role-specific theory and practice-based modules using by instruction design approach. — embedding Adult Learning, Kirk Patrik and Bloom’s Taxonomy models under a instruction and design approach, such others, digital tracking, and alignment with sectoral training units. Initiate the ISO Certification as earliest and possible rebranding to ‘Provincial Research and Training Academy-PRTA’ as a ‘Center for Excellence’ for innovative policy dialogues, hub of knowledge exchange, and think tank discourse as well as vibrant ‘Community of Practice’ for model training and research and applied studies.
1.32	The absence of an integrated staff inventory system hampers effective workforce planning, redeployment, and evidence-based capacity analysis across provincial and local governments.	Roll out a centralized Integrated Public Service Management Information System (IPFMIS) at the provincial level, linked with Federal PSC and planning systems. Support the implementation of the Personal Information System (PIS) and introduce e-Services, including online “Sheet Roll” registration, through the Department of Provincial Personnel Records (Civil).
Strategic Planning and Policy Coherence		
1.33	Inadequate Economic Analysis during planning both at province and local levels.	Provide technical assistance in economic data analytics and applied policy research to strengthen provincial and local-level planning accuracy. This support will build on the annual Economic Survey by the Ministry of Finance and the analytical outputs of Nepal Rastra Bank, and National Statistics Office, and Circular on Annual Economic Survey for Local Government by MoFAGA, translating national-level insights into actionable guidance for PLG planning. Capacity-building will

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		focus on enhancing the ability of PPCs to interpret, localize, and apply economic data for evidence-based policy formulation.
1.34	Key legislative frameworks related to policy planning, statistics, and monitoring and evaluation remain in draft form without operational guidelines, delaying institutionalization and implementation across sectors.	Accelerate the endorsement of the drafted provincial Acts on Policy and Planning, Statistics, and Monitoring and Evaluation. Provide technical support to develop practical regulations, operational guidelines, implementation toolkits, and capacity-building plans to operationalize these laws across ministries and local governments.
1.35	Weak institutional systems for project selection and prioritization have led to ad hoc planning and misaligned investments at the provincial and local levels.	Support the implementation of the Project Bank Guidelines as a provincial priority. Develop and operationalize a functional Project Bank MIS, drawing lessons from Madhesh Province, and provide technical assistance for its institutional integration and effective use, as recently conducted by PCCC for staff on P-PSMIS.
1.36	Weak policy alignment and lack of systematic monitoring mechanisms hinder evidence-based decision-making and accountability in program implementation.	Develop and institutionalize an online, computerized results and performance-based monitoring system to strengthen policy coherence, track outcomes, and inform strategic reviews (PP priority, pg. 240). Good point.
1.37	There is no structured mechanism for generating timely policy feedback, limiting adaptive policymaking and evidence-informed reforms.	Establish and operationalize a provincial Policy Lab with technical assistance support to generate real-time policy feedback, facilitate stakeholder consultation, and strengthen adaptive policy design and implementation. Nice. Could be good to rename as ‘Provincial Policy Innovation Lab’.
1.38	Capacity building support to Spatial Planning Please maintain caps lock across the report.	Deliver technical assistance and GIS training as part of a broader effort to institutionalize spatial planning within provincial governance systems. This will include developing standard operating procedures, integrating GIS into planning workflows and periodic plans, and strengthening the capacity of technical staff and planning units to sustainably manage and utilize spatial data for evidence-based decision-making.
1.39	Need for digitizing the local resource information	Support the development of digital maps for Rural Municipalities to improve local resource tracking. Does it not part of Spatial based Period Development Plan of LGs.
1.40	Ownership Issues at the LG level for formulation, implementation and evaluation of policy documents	Promote co-creation of key policy documents with LG officials through facilitated policy and planning clinics or learning circles or hand-holding exercise and embed policy formulation, implementation and evaluation in routine LG functions to strengthen ownership and sustainability and develop accredited Local Resource persons to facilitate the process. Good point.
Public Finance Management (PFM) and Fiscal Transparency		
1.41	Budgetary Planning: Need for reporting on gender, climate change adaptation, disaster risk reduction and management (DRRM) and SDG responsive budget allocation. Budget Credibility Concerns:	Develop or update budget allocation and expenditure tracking guidelines aligned with gender, climate, DRR and SDG goals; build PLGs capacity for expenditure and results-based reporting in these important global cross-cutting themes. Support effective digital revenue forecasting tools, revenue potential studies and analyze monthly budget expenditure patterns, citizen-engagement in Public Financial Management Cycle for increasing fiscal accountability, transparency and addressing budget credibility concerns at PLGs.

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1.42	Audit Issues: Need for strengthening internal and external auditing practices	Support LGs with tools and training to systematically operate, document and manage and apply internal audit-relevant information and reports to detect, prevent and control risk areas and make improvement accordingly. Also, support PLGs for clearance of external audit backlogs by developing and supporting effective Audit Action Plan follow-up systems in leadership of OCMCM and P-MoF and fostering citizen-engagement in external audit process as per the Office of the Auditor General (OAG) mandate.
1.43	Procurement and e-bidding capacity-building needs	Coordinate with PPMO to design and deliver tailored and advance capacity building for procurement systems, including e-bidding. Initiate advocacy for the use of disruptive technologies for procurement management, transparency to prevent fraud, collusion and corruption in procurement processes (such as use of big data analytics, AI, others)
1.44	Municipalities face low own-source revenue (OSR) performance due to weak systems, limited capacity, and lack of strategic revenue planning.	Coordinate with ADB to explore and adapt the Revenue Management Plan piloted in Bharatpur Metropolitan City. Support municipalities in developing tailored revenue improvement strategies, systems, and capacity-building plans for sustainable local financing.
Sectoral Development and Economic Policy		
1.45	Duplication and fragmentation in infrastructure planning persist due to uncoordinated systems and lack of shared access to provincial and local data.	Digitize and integrate the Provincial Road Master Plan and Provincial Transport Master Plan into a unified digital platform accessible to both PG and LGs. This will streamline project identification, submission, evaluation, and monitoring, and reduce duplication in infrastructure planning and investment.
1.46	Public transport service delivery suffers from inefficiencies, limited digital access, poor asset management plans, and weak coordination between provincial and local infrastructure authorities.	Develop a user-friendly digital app for vehicle tax payment and renewal tokens as a top priority. Introduce employment intensive or local maintenance worker performance-based maintenance systems for road infrastructure and expand the Infrastructure Asset Management Plan at the PLG level. Strengthen coordination and reporting mechanisms with the Provincial Physical Infrastructure Development Ministry/Office, building on the Hetauda Municipality model. Coordinate closely with FCGO to ensure Public Assets Management System (PAMS) alignment, monitoring and reporting on capital intensive infrastructures at sub-national level.
1.47	Urban planning systems and processes remain fragmented, with limited integration of land management tools and scalable models for planned urban growth.	Strengthen provincial urban planning frameworks and institutional processes. Upscale successful land pooling pilots—such as those in Bharatpur Municipality—through technical support and coordination with LGs to promote inclusive, planned, and service-ready urban expansion.
1.48	Accessing personal health data is complex due to fragmented, paper-based systems and lack of digital integration.	Support MoHP on establishing an online Health Information System (HIS) that provides secure, real-time access to personal medical records, prescriptions, and diagnostic reports.
Service Delivery and Gender Equality and Social Inclusion		
1.49	Unmet social protection measures for children and women in Budgetary Planning.	Provide TA to develop mandatory budget cap provisions for women, children, and disadvantaged groups in budget allocation, to streamline and mainstream GESI group needs and priorities. Also, initiate dialogues during pre-planning consultations for one door support

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		system of fragmented social protection support through multiple ministries and programs.
1.50	Local Justice System Awareness remains low, with limited public engagement and visibility.	Train legal facilitators, community mediators and launch public outreach using media, FM radio and layperson digital platforms to disseminate justice-related information.
1.51	Public service delivery remains slow due to manual processes and fragmented service points.	Replicate and scale up one-stop service delivery models with office automation to enhance efficiency in urban municipalities. Great point.
Civic Oversight and Social Accountability		
1.52	Capacity building needs of the elected representatives and citizens	<p>Conduct targeted and ongoing capacity building activities for elected representatives and council members on: (i) roles, rights, responsibilities and legal and fiscal compliance provisions in service delivery (ii) project identification, appraisal and planning processes with integration of social, gender, and climate issues. iii) organize exposure visits and short executive learning programs on governance and development policy.</p> <p>Orient citizen and civil society organizations, media on understandings and scope and process of facilitating public hearing, public audit, social audit mechanism and development reporting to foster social accountability and effectiveness government services.</p>

Note: Internal Control System (ICS) Guidelines is developed by MOFAGA and Financial Controller’s General Office with details on various legal frameworks, tools to guide the PLGS to design their own ICS mechanism for identifying control environments, monitoring guidance, role specific control systems.

N.B. Some overview of the Innovative Partnership Project is missing, as significant budget of PLGSP is directed in this line and lessons shown that this is evolving as a best coordination strategy to work with local level. In addition, some assessment on knowledge management practices, change management processes, CD strategies of PLGs will be appreciated.

5. PARTNERSHIP MAPPING RESULTS

This section provides the results of the initial provincial-level partner mapping exercise, illustrating how key development partners are supporting federalism-related reforms in Bagmati Province. The examples focus on thematic alignment, coordination opportunities, and potential risks of overlapping with PLGSP interventions. These working examples demonstrate how diverse actors—ranging from those engaged in youth participation to civic monitoring and inclusive planning—can contribute to and align with PLGSP’s objectives. This section is split into Priority Program Examples (three detailed examples provided) and a table of all other Bagmati province partnership options to be explored in the final report.

5.1 EXAMPLE PARTNERSHIP OPPORTUNITIES

Section 5.1 provides a summary of one illustrative case highly relevant to PLGSP operations in Bagmati Province. The two example includes (i) the Asia Foundation/DFAT (ii)SUSASAN/YoungInnovations /GAC/CECI. This is provided here as an example but will be developed in the final main report, which covers federal, provincial, and local partners of significance to PLGSP. FCDO funded Nepal Health Sector Support Programme will be covered in the main capacity assessment report.

NEPAL SUBNATIONAL GOVERNANCE PROGRAMME (SNGP) – PHASE II

SNGP is a flagship governance initiative funded by the Government of Australia’s DFAT and implemented by The Asia Foundation (TAF) in partnership with the Government of Nepal. Currently in its second phase, SNGP works in an adaptive, politically-informed manner, convening a “coalition of influence” across government, civil society, and experts. The program has defined five End-of-Program Outcomes (EOPOs) that echo PLGSP aims: (1) stronger intergovernmental coordination mechanisms, (2) more inclusive and evidence-based local policies (with a focus on public health services), (3) inclusive economic policies at subnational level, (4) more inclusive service delivery responding to women’s and marginalized groups’ needs, and (5) integration of climate change considerations into subnational plans (this fifth outcome was introduced in 2023).

- **Presence in Bagmati:** Under Phase II the Programme facilitated policy dialogues and supported evidence-based planning exercises in Bagmati’s provincial government and a handful of its municipalities on issues like public health and local economic development. It also convenes cross-provincial learning, notably in which youths from Bagmati participated in a Youth Sounding Board that informs the program’s youth engagement strategy. SNGP had expanded to Bhimishowr municipality Dolakha in Bagmati Province, with intentions to gradually include all other local units.
- **Key Activities & Alignment with PLGSP:** SNGP’s activities are tailored to its EOPOs. Key interventions include: supporting the design of inter-governmental coordination forums and dispute resolution mechanisms between provincial and local governments (addressing PLGSP outcome 1 on inter-governmental functioning); technical assistance to provincial ministries for evidence-based policy and to municipalities for data-driven planning (advancing PLGSP outcome 2 on efficient, inclusive institutions); and capacity development for elected representatives on participatory planning, with an emphasis on inclusive practices (linked to PLGSP outcome 3).

For example, under SNGP, policy labs were organized in Sudurpaschim to help local governments formulate policies on public health service delivery using data and community input, aligning with PLGSP’s push for quality local services. The program also actively mainstreams GESI and climate resilience in local planning. Notably, SNGP often works through granting and mentoring local CSOs and research institutions to carry out studies or pilot programs, thereby fostering a local knowledge base and civic engagement in governance.

- **Innovations and Lessons:** SNGP is known for its adaptive programming approach, iteratively adjusting activities based on what works (a “learning by doing” ethos similar to a Problem-Driven Iterative Adaptation model). One innovation is the establishment of Province Center for Good Governance (often through Provincial Center for Good Governance collaboration) that produces evidence for policy-making. This has been piloted in provinces including Bagmati, helping ground provincial plans in data. SNGP has documented lessons on inter-governmental relations: for instance, in facilitating dialogues on functional assignments between Bagmati’s provincial ministries and its local governments, a best practice emerged to use neutral conveners (like TAF or academia) to mediate discussions, which improved trust.

Another success under SNGP is the integration of participatory planning and social accountability tools (like community scorecards and public hearings) into the annual planning cycle of certain partner municipalities, which led to more citizen-centric local development plans (a practice that can be scaled). SNGP’s mid-term review notes successful practices in gender-responsive budgeting support – some municipalities in Bagmati, with SNGP guidance, prepared budgets that earmark funds for women, Dalits, and persons with disabilities, illustrating inclusive governance in action.

- **Potential Duplication or Synergy with PLGSP:** Given that SNGP and PLGSP are both broad governance programs, coordination is crucial. However, they both have clear niches. Whereas PLGSP is a government-led framework program focusing on formal capacity development (training curricula, systems like LISA, etc.), SNGP operates more flexibly, often testing approaches and focusing on specific thematic areas (public health, economic policy, etc.). SNGP’s support to inter-governmental coordination (e.g., helping form provincial coordination councils or federal-provincial dispute resolution committees) directly complements PLGSP’s work on institutionalizing such mechanisms.

One area to monitor is training delivery, as both PLGSP and SNGP support capacity building for local officials. However, SNGP typically channels its training through the Province Centers for Good Governance (PCGGs)—established under PLGSP—ensuring alignment and minimizing duplication. For example, in Bagmati Province, SNGP experts supported the development of inclusive planning curricula for the PCGG rather than organizing separate trainings. The risk of overlap remains manageable through regular coordination between DFAT, The Asia Foundation, MoFAGA, and PLGSP donors, reinforcing joint planning and complementarity.

Table 3. THE ASIA FOUNDATION / DFAT – PLGSP OPTIONS					
Name of Partner Project/Initiative Name(s)	Best Practices Identified	Potential Areas for Synergy with PLGSP	Overlap/Duplication Risks	Entry Points for PLGSP Engagement	Coordination Mechanisms Proposed
Subnational Governance Programme (SNGP)	programming; facilitation of policy labs for provincial-local dialogue; establishment of Provincial Center for Good Governance (PCGG); mainstreaming of GESI and climate considerations into provincial/local planning; inclusive planning tools like	Support in building intergovernmental coordination mechanisms; collaboration on inclusive and evidence-based local planning processes; alignment on GESI and climate resilience in governance frameworks.	Possible redundancy in provincial/local capacity building trainings; thematic overlap in GESI and planning support could result in duplicated sessions if uncoordinated.	Partner with SNGP on evidence generation and dissemination through PCGG; integrate inclusive and data-driven approaches into PLGSP training modules; jointly convene policy forums for local governments.	Quarterly joint planning and reflection workshops; shared development of training curricula; establishment of a joint learning hub at the provincial level integrating both PLGSP and SNGP resources.

community scorecards.					
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SUSTAINABLE USE OF TECHNOLOGY FOR PUBLIC SECTOR ACCOUNTABILITY IN NEPAL (SUSASAN)/YOUNG INNOVATIONS)

The SUSASAN/YoungInnovations project in Nepal, implemented by CECI with support from Global Affairs Canada (GAC), aims to strengthen service delivery, transparency, and accountability in the public sector—particularly at the local government (LG) level. Now led by YoungInnovations, the initiative focuses on empowering marginalized communities and leveraging digital technology to bridge the gap between citizens and their local governments. Operating across 7 provinces and 40 LGs, including Bagmati, the project deploys tools such as the Municipality Data Portal, digital communication platforms, and structured grievance redress mechanisms to improve service delivery. A core priority is ensuring equitable access to essential services for women and marginalized groups, fostering inclusive governance, and deepening citizen engagement in local decision-making.

- **Presence in Bagmati: SUSASAN/YoungInnovations** assists local governments in utilizing digital technology to enhance service delivery, accountability, and transparency. It has contributed to the development and implementation of digital technologies, including Municipality Data Portals, Electronic Citizen Charters, and Grievance Redressal Systems, which allow local governments to quickly provide services, share information with the public, and resolve grievances effectively. Involving marginalized people, ensuring their access to services, and allowing them to participate in governance processes are all made possible by these resources. The program works closely with LGs like in Lalitpur to help Bagmati municipalities integrate and execute e-governance ideas. Through SUSASAN, local governments in Bagmati Province 8 LGs, including Bagmati Rural Municipality, are undergoing promotion of inclusive governance, enhancing operational efficiency, and boosting citizen engagement in decision-making, which are in keeping with the broader goals of PLGSP.

- **Key Activities & Alignment with PLGSP:** SUSASAN/YoungInnovation activities add value to the PLGSP by prioritizing e-government, digital governance, and capacity-building. The creation of digital tools, including Municipality Data Portals, Electronic Citizen Charters, and Grievance Redressal Systems, are SUSASAN’s main goals to improve public service delivery, transparency, and citizen involvement. These programs directly promote PLGSP’s objectives of enhancing service delivery, strengthening intergovernmental cooperation, and empowering underserved communities via better service access. SUSASAN further supports the PLGSP’s goal of institutionalizing instruments for good governance by encouraging participatory and evidence-based planning processes and providing technical assistance to local governments in e-governance.

In addition, through mainstreaming GESI (gender equality and social inclusion) and climate resilience into local planning, SUSASAN and PLGSP are complementary to each other in enabling inclusive governance structures. However, as both programs provide capacity-building services, there may be duplication in training the local governments. Both programs collaborate with the Provincial Center for Good Governance (PCGG) through joint workshops for creating standardized training materials with the perspective of reducing this risk and execution. PLGSP and the SUSASAN¹ project are closely related in terms of improving e-governance, public involvement, and service delivery. Adopting digital solutions such as the Municipality Data Portal, electronic citizen charters, grievance redressal processes, and

¹ This project concept to formulate and strengthen Local Disaster and Climate Resilience Framework (LDCRF) by MoFAGA for LGs through direct onsite coaching, conducting jointly vulnerability and capacity assessment in flagship municipalities; and preparing online a digital framework on the spot with minimum third party/consultant support and involving whole Palika institutions/portfolio approach could be looked at for integration.

community scorecards is one of SUSASAN's primary initiatives. These initiatives have a direct influence on the increased accountability and openness of local governments. They also support the PLGSP's mission to guarantee inclusive, efficient institutions and strengthen other local-level governance tools for advancement. Enhancing intergovernmental collaboration and service delivery is the same objective of both initiatives.

In particular, PLGSP's efforts to promote more inclusive and transparent local government align with LG's emphasis on inclusive service delivery and e-communication for the disadvantaged using technologies like SMS and audio-based messaging systems and citizen-centric platforms. Additionally, SUSASAN supports the capacity building of local government authorities to maximize the use of online platforms in order to enhance governing processes and increase public involvement, which is consistent with PLGSP's work on institutional capacity building for local government.

- ***Innovations and Lessons:*** Some fundamental advancements in e-governance and electronic service delivery have been brought about by the SUSASAN initiative, which has greatly increased accountability, transparency, and public involvement. The most important of these improvements is the establishment of the Municipality Data Portal, which maximizes accountability and openness by compiling government data and making it publicly accessible. Aside from this, the Grievance Redressal System and Electronic Citizen Charters have made it possible to hear residents' voices and act upon them quickly. Another important invention that has made communication easier for underserved groups, such as those who are illiterate or blind, is the SMS and audio messaging system.

Additionally, the initiative has made it possible for community scorecards to incorporate data-driven planning and public opinion into local administration. One of the most important lessons learned is the value of adaptive programming, in which the project keeps evolving in response to input and results, ensuring that its instruments and techniques meet the changing demands of the local government and the public. Building inclusive and sustainable governance systems has been viewed as requiring the use of local CSOs to engage the public and produce evidence for policymaking.

Innovations in the Province produced positive outcomes. One of the major improvements that has made it easier for local governments in Bagmati to give residents open access to information is the Municipality Data Portal. In addition to giving residents access to basic information like budgets, policy papers, and services, the site also fosters citizen engagement by making it easier for citizens to monitor local government performance.

The requirement for adaptive programming—that is, programming that is based on locality and feedback needs—was perhaps the most important lesson learned. For instance, the SMS and voice communications system that was specially created for underrepresented groups worked amazingly well. This method might also be used to reach the visually impaired and uneducated with basic government data, making local governance inclusive.

Furthermore, the Bagmati Province has benefitted from a number of the creative ideas carried out by the SUSASAN initiative. Without a question, one of the best inventions that has allowed local governments to make information publicly available to the public is the Municipality Data Portal. In addition to giving users vital information on policies, budgets, and services, the website promotes public involvement in government by allowing citizens to monitor LG's performance.

The programmatic customization of operations using field-level needs and feedback is one of the lessons learned from the Bagmati Province. For instance, Bagmati Rural Municipality and other marginalized groups have found great success with phone and SMS messaging technologies.

- **Duplication/Overlap or Synergy with PLGSP:** In terms of strengthening local government, improving service delivery, and inclusively promoting development, the goals of the SUSASAN project and the Provincial and Local Governance Strengthening Programme (PLGSP) are extremely aligned. Both of these initiatives aim to increase openness through digital media and strengthen local government capability, thus, they complement rather than duplicate one another. PLGSP's goal of enhancing LGs' accountability and service delivery is supported by SUSASAN's e-governance initiatives, including the Municipality Data Portal and Grievance Redressal Systems. Local official training is another area where the two programs overlap; PLGSP concentrates on general governance and policymaking, while SUSASAN offers technical help in digital governance.

However, the two programs need to confirm coordination of their training operations through Provincial Center for Good Governance (PCGG) and Joint Workshops to avoid duplication. This ensures that resources are used efficiently and that capacity-building activities don't duplicate one another but rather work in tandem to create synergy.

PLGSP and SUSASAN programs are complementary to one another since they both seek to strengthen local governance and promote transparency.

Table 4. SUSASAN/YOUNG INNOVATION – PLGSP OPTIONS					
Project/Initiative Name(s)	Best Practices Identified	Potential Areas for Synergy with PLGSP	Overlap/Duplication Risks	Entry Points for PLGSP Engagement	Coordination Mechanisms Proposed
Sustainable Use of Technology for Public Sector Accountability in Nepal (SUSASAN)/YoungInnovations	<ul style="list-style-type: none"> - Development of Municipality Data Portals - Use of SMS and Audio Messaging Systems for marginalized groups - Grievance Redressal Systems - Community scorecards for feedback - Electronic Citizen Charters 	<ul style="list-style-type: none"> - Building inter-governmental coordination mechanisms - Collaboration on inclusive and evidence-based local planning - Alignment on GESI and climate resilience in governance frameworks 	<ul style="list-style-type: none"> - Potential redundancy in training for local officials - Thematic overlap in GESI and planning support could lead to duplication if uncoordinated 	<ul style="list-style-type: none"> - Partnering with SUSASAN on evidence generation and dissemination through PRTC - Integrating inclusive and data-driven approaches into PLGSP training modules - Jointly convene policy forums for local governments 	<ul style="list-style-type: none"> - Quarterly joint planning and reflection workshops - Shared development of training curricula - Joint learning hubs at the provincial level integrating both PLGSP and SUSASAN/YoungInnovations resources

5.2 SOME POTENTIAL OPPORTUNITIES FOR PARTNERSHIPS FOR THE BAGMATI PROVINCE

Table 5 below provides a more concise summary of the primary partnership options available to the program, to be developed for the main report. The table includes the names of partners, their thematic focus areas, and the organizations involved. Each row is expected to showcase an illustrative project and its implementation status within the province. The table also evaluates alignment with the PLGSP, highlighting innovative approaches, identifying best practices suitable for scaling, and assessing the risk of duplication with existing initiatives. This structure helps guide strategic coordination and maximize impact.

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Table 5. BAGMATI PROVINCE PARTNERSHIP OPTIONS

#	Partner Name	Thematic Area/Sectors	Partner Organization(s) and TA	Illustrative Project	Project Period/Status	Linkage with PLGSP	Innovation	Best Practice for Scaling	Risk of Duplication
Federal Institutions									
	Ministry of Finance (MoF)	Resilience to climate change and disaster risks (climate financing and DRR)	World Bank/IDA and TA	Nepal Disaster Resilience DPC + Cat DDO (Ongoing) Budget support operation to enhance disaster resilience through fiscal instruments and policy reforms		Fiscal framework.	Contingent financing for disaster resilience	Budget tagging for climate and disaster resilience expenditure	Moderate – requires PLGSP policy sync.
	Ministry of Women, Children, Senior Citizens Development (MoWCSC)	Health, Education, and Nutrition		WFP School Meal Programme Mid-day meal program targeting ECD to Grade 6 in rural districts, nutrition-linked with education outcomes.		Indirectly via service delivery	systems Nutriti on education service integration	School-based food security systems	Low – strong operational structure
	Ministry of Physical Infrastructure Transport (MoPIT)	Infrastructure Planning and Management		Infrastructure Project Bank and Planning (In Development) Development of a centralized digital platform for managing and tracking all infrastructure projects with planning alignment.		Overlaps in infrastructure planning at local level	Web-based infrastructure project bank	Multi-tier digital project tracking systems	Moderate – needs harmonization with federal tools
	Ministry of Agriculture Livestock Development (MoALD)	Agriculture and Livelihoods		Digital Agriculture and Irrigation Development Promotion of agri-infrastructure, apps, and digital systems for crop monitoring and service delivery.		Indirectly via service delivery	App-based service delivery to farmers	Public-private extension and irrigation tech	Mode rate – overlaps with federal schemes

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	Public Service Commissions (PSC)	Human Resources and Recruitment		Provincial Civil Service Reform Support to merit-based recruitment and training for provincial civil service cadres in line with federal guidelines.		Coordination on HR policy and training	Unified provincial recruitment standards	Integrated HR systems between PG and LGs	Low – clear mandate
	European Union	Federalism, Education, and Nutrition		Support to Federalism and MSNP Phase III Sector Budget Support to strengthen federal structures and improve service delivery in education and nutrition through MSNP.		Aligned on federalism and decentralization	Budget support linked to performance in federal reforms	Multi-sector budget support with joint indicators	Low – embedded in government systems
	DFAT	Subnational Governance		Subnational Governance Programme (SNGP) Phase II Supports local governance strengthening, planning, budgeting, and intergovernmental coordination.		Complements programming at the local level	Inter-governmental fiscal alignment	Joint planning and budgeting units with LGs	Moderate – overlaps if not coordinated with PLGSP
	Norwegian Government	Education, Gender, food and nutrition security	UNDP, SAHAS	Support to School Education Sector Plan (SESP) Contributes to inclusive, quality education with a focus on girls' education and federalism support. Energy to food project		Sectoral but aligned with decentralized delivery Integrated Periodic Plans (PPs)	Gender-responsive school financing Climate Smart Entrepreneurship	Education budget tagging for equity Climate Investment Plan for Agriculture Sector	Risks of duplication among bilateral partners.
	Swiss Development Cooperation (SDC)	Revenue and PFM Reform		Revenue Administration Support (RAS III) Support to subnational revenue and fiscal reform, including tax systems and PFM strengthening.		Links on PFM systems	Subnational tax system digitization	integrated tax and financial systems across levels	Moderate risk if uncoordinated with MoFAGA

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	World Bank	Disaster Resilience, PFM, Infrastructure		Disaster Resilience DPC + Cat DDO / ACCESS Budget and infrastructure projects focused on disaster resilience, connectivity, and fiscal management.		Overlaps in fiscal space and infrastructure policy	Contingent financing + regional transport link	Cat DDO as fiscal buffer model for provinces	Moderate— requires strategic sync
	Asian Development Bank (ADB)	PFM, Infrastructure, Trade		PFM & Customs Reform / Public Investment Management Supports implementation of devolved PFM systems, logistics/customs reforms, and public investment performance improvement.		Overlaps on PFM and planning	Customs and investment reform at SNG level	Performance-linked investment implementation TA	Moderate – with other PFM projects
	UNDP	Governance, Justice, Preparedness		Access to Justice / SUPER / Parliament Support Multiple streams including legal empowerment, disaster preparedness (SUPER), grievance systems and provincial assembly support.		Governance, demand-based enterprises, Legal aid, Earthquake preparedness, institutional capacity	Integrated governance and justice model	Link grievance redress to digital governance	Low – strong alignment with PLGSP
	UNICEF	Child Rights, Nutrition, WASH, Education		Suaahara II / Child-Centric Programming Multi-sectoral programming supporting health, education, WASH and child protection through local governance.		Linkage through decentralized service delivery	Child-focused integrated governance services	WASH + Education + Nutrition convergence	Low – fits service delivery model
	UN Women	Gender Equality and Social Inclusion (GESI)		Gender Responsive Governance and Budgeting Support GESI integration in governance, budgeting, and local planning processes.		GESI mainstreaming	Gender budgeting in provincial systems	Institutionalized GESI focal points with budget power	Low— complementary to PLGSP GESI strategy

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	International Organization for Migration (IOM)	Disaster Risk and Migration Governance		SIKAI – Institutional Knowledge for DRM Strengthening DRM capacity at the local/provincial level through institutional knowledge systems.		Overlaps on disaster response systems	Localized DRM data and coordination systems	Provincial disaster platforms	Moderate – overlaps with MoHA DRR roles
	World Food Programme (WFP)	Food Security, Education, Nutrition		School Feeding Programme (Food for Education) Food distribution, nutrition education, and capacity building for schools in rural Bagmati.		Indirectly supports MoSD delivery	Integrated nutrition and education delivery	Food-for-education linked to local agriculture	Low – institutionalized via MoSD
	FAO	Agriculture and Food Systems		Agri-Food System Resilience Projects Capacity development for local governments in agriculture, including value chain, policy support, and data systems.		Relevant to MoA systems at local level	Food systems and value chain governance	Provincial agri-data systems + PPP platforms	Moderate – risk with parallel MoA initiatives
	WHO	Health governance policies, NCD and EPI	PGs, LGs	Provincial Health policies, NCD, EPI		Low-Relevant to MoSD with PGs, LGs service delivery	Health system governance,	Provincial service delivery on non-communicadiseases, Expanded programme on immunization	Low– risk parallel with MoSD initiatives
	ILO	Climate change, information economy, Child labor	MoSD, SAHAS	Climate strategy, community engagement and economic sustainability		Medium-CCA policies, community engagement	Climate governance	Integrated approach Community engagement	Low-risk MoSD, LGs
Provincial Institutions in Bagmati Province									
	Provincial Center for Good Governance (PCGG)	Training and Capacity Building	LGs, PG of Bagmati	Cluster-Based Training & Curriculum Development KPTA provides training to local officials, partners with academic institutions and central training agencies to develop curriculum and deliver provincial training	All the LGs and , PG Bagmati	Strong-linkage given delivery of PLGSP through training modules	Demand-based, decentralized training modules	Inter-provincial training community of practice	Low – fills clear niche in the training landscape

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	Ministry of Economic Affairs and Planning (MoEAP)	Economic Policy and Investment		Provincial Economic Development Planning (Planned) Supports economic planning, budget formulation, and provincial investment forums for resource mobilization.		Indirectly-Coordinates on planning systems	Public-private investment forums	Joint venture-based financing of provincial growth hubs	Low – tailored to provincial strategy
	Ministry of Social Development, (MoSD)	Health, Education, Nutrition, Youth, Sports		Provincial youth empowerment, health, sports, and cultural preservation. It provides technical training, scholarships and supports youth parliament and entrepreneurship programs		Indirectly via service delivery systems	Nutrition education service integration	School-based food security systems, disability inclusions	Low—strong operational structure
	Ministry of Physical Infrastructure Development (MoPID)	Infrastructure Planning and Management		Infrastructure Project Bank and Planning (In Development) Development of a centralized digital platform for managing and tracking all infrastructure projects with planning alignment.		Overlaps in infrastructure planning at local level	Web-based infrastructure project bank	Multi-tier digital project tracking systems	Moderate – needs harmonization with federal tools
	Ministry of Agriculture, Land Livestock Development (MoALD)	Agriculture and Livelihoods		Digital Agriculture and Irrigation Development Promotion of agri-infrastructure, apps, and digital systems for crop monitoring and service delivery.		Indirectly via service delivery	App-based service delivery to farmers	Public-private extension and irrigation tech	Moderate – overlaps with federal schemes
	Provincial Public Service Commissions (PPSC)	Human Resources and Recruitment		Provincial Civil Service Reform Support to merit-based recruitment and training for provincial civil service cadre in line with federal guidelines.		Coordination on HR policy and training	Unified provincial recruitment standards	Integrated HR systems between PG and LGs e	Low – clear mandate

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Bilateral/Multilateral Development Partners in Bagmati Province									
	FAO	Agroforestry, Watershed Management, Sustainable Livestock	MoALD, MoFE, MoLMC PA, Forest Farm Facility, Forest and Farm Producer Organization, LGs	Agroforestry and sustainable livestock farming programs	Bagmati Province	Low-Strengthens local governance through sustainable agriculture and forestry practices	Integration of sustainable practices in agriculture and livestock	Strengthen through local cooperatives, LGs and government collaboration	Low-ensure align with LGs plan,
	IOM	Migration Management, Community Support	MoHA, MoFAGA, OPDs, CBM Global, LGs	Migration management and support for vulnerable communities	Bagmati Province	Low-Links to migration governance and support for vulnerable populations	Migration policy improvement and community support integration	Expediting through community-based migration programs	Low-Work with MoLEP, LGs
	UNDP	Governance, Renewable Energy, Climate Change, DRM, Green Jobs	MoFAGA, OCMC M, PGs, LGs, MoLJPA, AEPC, LIBIRD, WFP, ICIMOD	Governance capacity building, renewable energy, and climate-resilient livelihoods	Bagmati Province	Strong-Strengthens governance systems through green jobs and climate action	Green job creation and water conservation through local governance	Scaling through local government collaboration and green enterprises	Low-Strong alignment with PLGSP, works with LGs

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	UNFPA	Sexual and Reproductive Health, Gender Equality, Urban Health	MoHP, DoHS, Health Institutions, LGs, PGs	Reproductive health programs and urban population dynamics support	Bagmati Province	Low- Strengthens health and gender governance through reproductive health services	Comprehensive reproductive health and gender equality programs	Expanding through local health systems and community outreach	Low-Work with MoSD, LGs, Health institutions
	UNICEF	WASH, Education, Child Protection, Health, Nutrition	MoHP, MoEST, MoWCS C, LNGOs/ CBOs, LGs, Educational Institutions	WASH and child protection programs, health and nutrition services	Bagmati Province	Low- Strengthens local service delivery in education, health, and child protection	Integrated health and education programs with a focus on WASH	Strengthening through schools and local health centers	Low-Delivery suits with LGs. MoSD
	UN Women	Economic Empowerment, Ending Violence Against Women, DRR	MoWCS C, MoFAG A, NGOs, Private Sectors, LGs, UN Agencies	Economic empowerment and ending violence against women programs	Bagmati Province	Strong- Supports gender equality and disaster resilience through local governance	Empowerment and violence prevention programs for women	Proceeding through partnerships with local NGOs and women's groups	Low-contribute to the PLGSP GESI strategy

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	WFP	Urban Food Security, Nutrition, School Feeding, DRR	MoALD , LNGOs, FAO, UNICEF , Local Farmers Groups, CBOs, Educational Institutions, LGs, MoSDY SYS	Urban food security and nutrition interventions, disaster preparedness	Bagmati Province	Low- Strengthens governance in food security and disaster risk management	Community-based disaster risk reduction and nutrition interventions	Continuing through schools and local food security initiatives	Low-collaborate with MoSD, education institutions, and institutionalize at LGs
	WHO	Health Promotion, Vaccine Preventable Disease Surveillance	MoHP, DoHS, Health Institutions, UNFPA, UNICEF , LGs, PGs, Educational Institutions	Vaccine preventable disease surveillance and routine immunization	Bagmati Province	Low- Strengthens health service delivery through immunization and disease surveillance	Routine immunization and surveillance programs	Strengthening through local health institutions and community outreach	Low-ensure MoSD, MoH, initiative to strengthen health institutions
<i>Non-Governmental Organizations Operating in Bagmati Province</i>									
	AHF Nepal	HIV/AIDS	PLWHA , NAP+N	HIV/AIDS care and treatment for people living with HIV	Bagmati Province	Low- Links with local health service delivery for HIV prevention and care	Comprehensive care model for people living with HIV	Strengthening care and treatment through local health institutions and community outreach	Low-involvement of Health institutions

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	Catholic Relief Services	Social Development, Disaster Risk Reduction, Livelihood Improvement	LGs, Caritas Nepal	Livelihood improvement, DRR, and climate change adaptation	Bagmati Province	Focus on strengthening disaster resilience and social service governance	Integrated livelihood and disaster risk reduction programs	Proceeding Cross-sectoral partnerships with government agencies for scaling	Medium-ensure scope of partnership DRR, Livelihood
	Helvetas ENSSURE	Employment, Skills Development	CTEVT, LGs, Private Sector Companies	Skills development and employment programs	Bagmati Province	Helps to strengthen governance through skill development and employment	Integrating skills training with employment opportunities	Strengthening through partnerships with local businesses and vocational institutions	Medium-Coordination with civil LG association, PG, LGs
	EPICnepal/FHI 360	HIV/AIDS, Health	BDS, Sparsha Nepal, NAP+N	HIV prevention and health programs	Bagmati Province	Back up local health governance through health systems in HIV prevention	Integration of HIV/AIDS programs with health systems	Enhancing health system through local community health outreach and partnerships	Low-Link to health institutions
	FAIRMED	Health, NTDs, Maternal & Neonatal Health, Disability-Inclusive Development	Indreni Social Development Forum (ISDF)	Health programs focused on maternal and neonatal care	Bagmati Province	Low Strengthens health governance by focusing on maternal and child health	Disability-inclusive health service delivery model	Extending through local healthcare centers and disability-focused initiatives	Low-focus on NCD, align with health institutions
	FPAN	Family Planning	UNFPA, IPPF, GoN, Local NGOs	Family planning services and reproductive health programs	Bagmati Province	Low supports reproductive health governance and access to family planning	Comprehensive family planning services integrated with community outreach	Expanding through local health institutions and CBOs	Low-coordination with health institutions

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	Management Science for Health	Reproductive Health and GBV	ABC Nepal, CMC Nepal, FWLD, Saathi, IPWA, Sanchari ka Samuha	Reproductive health and GBV prevention programs	Bagmati Province	Low strengthens health governance and GBV prevention systems	Integrated GBV prevention with reproductive health services	Scaling through local health institutions and community outreach	Low-link with health institutions
	MSNP/PPPC	Nutrition	MoFAG A, NPC, EDPs, LGs, CBOs, Sectoral Ministries	Nutrition support programs	Bagmati Province	Low-Strengthens nutrition service delivery and governance	Integrated nutrition programs with community development	Expanding through local CBOs and government agencies	Low-Allign with the MSD, health institutions
	SwissContact	Vocational Skills, Employability	CTEVT, NSTB, MoEST, PGs, LGs, Private Sector Companies	Vocational training and skill development programs	Bagmati Province	Moderate-strengthens governance in education and employment sectors	Skills development integrated with employment creation programs	Coordination and collaboration through TVET schools and local businesses	Moderate-ensure Coordination and collaboratin with -PCGG
	One Heart Worldwide	Health, Maternal & Newborn Care	Noora Health, FWD, SBMP, NGOs	Maternal and newborn health programs	Bagmati Province	Low strengthens health service delivery for maternal and newborn care	Integrating maternal health programs with community education	Scaling through community health networks and healthcare facilities	Low-work with LGs, health institutions

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	PSI Nepal	Family Planning, Adolescent Sexual & Reproductive Health, Health System Strengthening	MoPH, Local NGOs, CBOs, Health Institutions	Family planning and adolescent sexual health programs	Bagmati Province	Low-Strengthens reproductive health service delivery and governance	Comprehensive sexual and reproductive health services for adolescents	Proceeding through schools and local health centers	Low-Work with DHO, health institutions, LGs, schools
	QualiTY	Technical & Vocational Education & Training (TVET)	MoEST, CTEVT, PGs, LGs, TVET Schools	TVET programs for youth	Bagmati Province	Low-Strengthens youth employment and skills governance	TVET programs integrated with community development	Continuing partnerships with local businesses and government agencies	Low-ensure program PCGG, learning and research findings
	Safer Migration Project	Migration, Employment	MoLES, LGs, CBOs, Private Sector	Safer migration programs and support for migrant workers	Bagmati Province	Low-Strengthens migration governance and support for migrant communities	Migration support integrated with economic development	Expanding through local CBOs and government partnerships	Low-Low-coordination with PCGG, LGs, MoSD
	Save The Children	Children's Health, Education, DRR, WASH, Protection	Welthungerhilfe, People in Need (PIN), Local Government Authorities	Children's health, education, and disaster risk reduction programs	Bagmati Province	Low-Strengthens child welfare and protection service delivery	Integrated child health and education programs	Continuing through local CBOs, LGs, and schools	Low-Align with LGs plan, MoSD
	Shanti Med Nepal, Switzerland	Health, Healthcare Services	Ratnagar Hospital, LGs	Healthcare service provision and medical facilities	Chitawan, Bagmati Province	Low-Strengthens local health governance through healthcare services	Mobile healthcare services for underserved communities	Expanding through local healthcare providers and mobile clinics	Low-Coordination with health institutions, LGs

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	The Leprosy Mission Nepal	Health, Leprosy	Nepal Leprosy Trust, GoN, ILEP	Leprosy prevention and treatment programs	Bagmati Province	Low- Strengthens health governance and service delivery for leprosy care	Integrated leprosy care and community health services	Proceeding through local health institutions and government initiatives	Low-align with Health sector plan
	WaterAid	WASH	NEWA H, LGs, CBOs	Water, sanitation, and hygiene programs	Bagmati Province	Low- Strengthens WASH service delivery and governance	Community-based water and sanitation programs	Expanding through local government and community-based projects	Low-Ensure LGs plan, MoSD, MoPID
	The Asia Foundation	Governance, Public Satisfaction, MSME, Procurement	NDI, Center for Good Governance, Impact Hub	Governance accountability and public satisfaction initiatives	Bagmati Province	Moderate- Strengthens governance systems and public service delivery	Evidence-based governance reforms and public satisfaction studies	Continuing through local governments and policy-based reforms	Medium-Ensure PCGG plan, coordination, collaboration, knowledge management

6. BEST PRACTICES FOR SCALING

Table 5 summarizes possible best practices derived from the identified partnership options in the Bagmati Province mapping. These practices are organized by thematic areas and are designed to support sustainable, inclusive, and coordinated local development efforts. These can be integrated into the PLGSP program.

Table 6. BEST PRACTICES IDENTIFIED FROM THE FIELD	
<i>Thematic Area</i>	<i>Upgraded Best Practice for Scaling</i>
<i>Inter-Governmental Coordination</i>	Establish formal Shared Services Agreements (SSAs) supported by Intergovernmental Coordination Units (ICUs) and digital platforms to align service delivery mandates and budgets.
<i>Infrastructure</i>	Co-develop multi-stakeholder infrastructure platforms for joint planning and funding, integrating LG-PG-INGO resources with real-time tracking.
<i>Health and Education</i>	Adopt cross-jurisdictional shared health and education service delivery models with pooled investment and shared digital platforms for outreach and monitoring. Target PLGSP TA support in Governance, Quality and Equity and Evidence-based Planning and Basic Health Service Delivery i) by assessment of Minimum Service Standards (MSS) and Health Facility Operations Management Committee (HFOMC) strengthening ii) capacity building of Health ministries / LG health sections in IHMIS/DHIS2 and interpreting data, medicine procurement, others.
<i>Economic Development</i>	Institutionalize inter-municipal economic zones and business incubation hubs jointly managed by PG and LGs to drive SME growth.
<i>Disaster Risk Reduction and Management</i>	Strengthen the operationalization of the three-tier DRM coordination platforms involving PG, LGs, and NDRRMA with integrated contingency planning and budget tagging. Integrate budget tagging for SDG and gender and initiate budget policy analysis and evaluation. PLGSP could work in setting climate and disaster policy and strategy setting, provincial/local adaptation plan of action (PAPA) and supporting NDC targets and SDG related indicators meeting including implementation of GESI-Sendai framework.
<i>Environmental Sustainability</i>	Co-implement climate-smart community-based projects with shared environmental performance indicators and citizen reporting tools (through IPF implementation).
<i>Capacity Building</i>	Expand province-led, cluster-based modular training through PRTA/PCGG, with demand-driven course design and digital learning options.
<i>Provincial OCMCM Action Centers</i>	Replicate the PMO prototype by establishing tech-enabled provincial Action Centers for real-time coordination, planning, and performance monitoring.
<i>Policy Harmonization</i>	Hold periodic inter-tier policy summits to align sectoral priorities, fiscal frameworks, and legislative timelines across government levels and Development Partners
<i>Funding and Resource Mobilization</i>	Launch blended finance mechanisms through project banks, combining LG, PG, and donor investments in priority sectors.
<i>Public Awareness & Community Voice</i>	Ensure effective implementation of key social accountability tools—particularly Public Audits (PA), Public Hearings (PH), and Social Audits (SA)—to capture and respond to public voice and grievances, and to widely disseminate the outcomes and impact of public service delivery.

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<i>Agriculture and Livelihoods</i>	Promote contract farming and cooperative models linked to agri-tech platforms and supported by joint private-academic-INGO technical units and fostering cooperative governance practices.
<i>Digital Literacy and Innovation</i>	Develop province-wide digital skill programs in partnership with universities and incubators; integrate digital literacy into school curricula and teacher' capacity building in coordination with teacher's training center and ministry of social development
<i>Governance and Accountability</i>	Mainstream participatory M&E systems across tiers using common KPIs, social accountability, social audits, and peer reviews (for example) to drive accountability.
<i>Gender Equality and Social Inclusion</i>	Implement inclusive planning and budgeting thoroughly follow by planning and budgeting guideline, Implement GESI policy, conduct GESI audit and address the gaps with consideration of GRB indicators. .
<i>Urban Planning and Tourism</i>	Integrate cultural heritage and eco-tourism into periodic and master plans, with climate-smart urban infrastructure design standards.

7. SUGGESTED PROVINCIAL TA

Based on the capacity gaps and implementation priorities two strategic technical assistance (TA) positions are recommended for deployment at the provincial level in Bagmati. Each responds to cross-cutting needs that impact planning, fiscal governance, service delivery, and coordination.

1. Provincial Revenue Mobilization Analyst

Bagmati Province faces critical fiscal forecasting and revenue mobilization challenges, including unrealistic resource estimation, underutilized exclusive tax powers, inadequate revenue potential studies, weak revenue administration and poor linkages between budget planning, spending, and intergovernmental fiscal transfers. Additionally, revenue performance tracking, revenue mobilization action plan, and data-driven fiscal strategy formulation are either absent or weakly implemented.

Key Responsibilities:

- Provide technical support to develop and roll out the province’s Revenue Mobilization strategy, tax and non-tax revenue policy and guidelines.
- Lead the development of a provincial fiscal policy framework, conducting revenue potential studies, economic survey, and diagnostics of fiscal capacity gap.
- Strengthen Revenue Administration, internal control, timely reporting, improved tax registration and tax collection, monitoring systems, effective tax auditing.
- Support design and deployment of a digital revenue forecasting, revenue sharing, and reporting system, coordinated with DoIT and P/DTCO.
- Assist in institutionalization and capacity building of provincial Revenue Advisory Committee and Resource Estimation Committee including strengthening multi-year fiscal and expenditure frameworks such as MTEF, MTEF, and sectoral costing models.
- Facilitate the revision of the fiscal equalization grant and conditional grant allocation formulas and models in collaboration with NNRFC, integrating KPI-based performance metrics and GESI-responsive parameters.
- Backstopping to align provincial budgeting and financial reporting systems (e.g., LMBIS, RIMS, CGAS) for meeting compliances with prevailing laws and standards, ensuring compatibility and use of fiscal dashboards to enhancing fiscal transparency.
- Coordinate with relevant authorities and donor agencies on ongoing domestic resource mobilization and reform initiatives, and support harmonization with the Domestic Revenue Mobilization Strategy, Fiscal Policy Statement and National PFM Reform Strategy 2025-2030 of GoN/MoF.
- Work under the guidance of NPD and NPM in PLGSP programme implementation and quality outcome.
- Work in close collaboration with OCMCM/PLGSP ISTA and TA team including PPSU and PRTA in the province.

2. IPF Implementation Support and Quality Assurance Analyst

PLGSP is investing in conceptualization and development of innovative projects that are implemented through local level. As this fund comprises a significant amount of money, the quality of project implemented is crucial through reduced fiduciary risk and increased value for money. The key job responsibilities include design and development support, advising municipalities on implementation modalities and overseeing technical and financial compliances and result monitoring and evaluations.

Key Responsibilities:

- Lead designing of innovative project concepts and orient municipalities in developing and implementing identified project in full compliance with legal, technical and administrative compliances and requirements.
- Support OCMCM/PLGSP in innovative project selection, evaluation, award, and facilitation of contract management process.

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- Keep continuing follow up on project implementation, technical standards and ensure quality assurance.
- Assist in overseeing physical progress, financial expenditure tracking and establishing regular monitoring and reporting mechanisms
- Support to OCMCM/PLGSP to conduct review meetings and discuss on issues and challenges and lessons learnt.
- Work closely with the technical evaluation committee and advise on national and international best practices and innovations in areas of social and economic transformation, GovTech innovation in public administration, governance, partnerships and service delivery and others cross cutting themes.
- Provided assistance to reveal areas of synergistic impact and replicating innovative ideas in other municipalities in the province.
- Work under the guidance of NPD and NPM in PLGSP programme implementation and quality outcome.
- Work in close collaboration with OCMCM/PLGSP ISTA and TA team including PPSU and PRTA in the province.

Both roles are pivotal for aligning Bagmati's governance with federal principles, improving internal revenue sources resources, and effective IPF implementation and reporting.

In sum: the report is very good, however more focused on provincial level assessment and lack of proper assessment on i) capacity of stakeholders for IPF program design and implementation, ii) PCGG strengthening, iii) status of knowledge management plans, transformative practices and change management strategies and wider system development approach adopted in policies, plans and programs of PLGs.

